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## NEW REPORT REVEALS DOCTORS PUSHING CANCER PATIENTS TOWARD EXPENSIVE TREATMENTS FOR FINANCIAL GAIN

<u>"Self-Referrals" for Costly Prostate Cancer Treatment Increased by Nearly Five Times from 2006 to 2010</u>

**WASHINGTON** – A <u>new Government Accountability Office (GAO) report</u> released today by Senate Finance Committee Chairman Max Baucus (D-Mont), Senate Judiciary Committee Ranking Member Chuck Grassley (R-Iowa), House Ways and Means Committee Ranking Member Sander Levin (D-Mich.) and House Energy and Commerce Ranking Member Henry A. Waxman (D-Calif.) revealed a dramatic increase in the rates of doctors pushing patients with prostate cancer toward a particularly expensive form of treatment when the doctors stood to make a personal financial gain.

The report found that intensity-modulated radiation therapy (IMRT) services performed by doctors who self-refer increased from slightly more than 80,000 in 2006 to nearly 366,000 in 2010. The number of IMRT services ordered by non-self-referring doctors, in contrast, dropped by 24,000 over the same time period. Self-referrals occur when doctors send patients to an IMRT provider in which they or a family member have a financial stake.

The report also found that self-referring doctors were more likely to refer their prostate cancer patients for IMRT services and less likely to refer them to alternative, and in some cases less expensive, types of treatments.

"Cancer patients should never have to question their doctors' motives," Senator Baucus said. "This is even more evidence that our health care system needs to reward the value of care, rather than the volume of treatments and procedures. Unfortunately, when you look at the numbers in this report, you start to wonder where health care stops and where profiteering begins. We have a law on the books designed to prevent these conflicts of interest, but an increasing number of physicians are skirting the law for their own personal gain. Enough is enough. Congress needs to close this loophole and fix the problem."

"This third GAO analysis further confirms once again that financial incentives, not patients' needs, are driving some referral patterns. Patients often rely on their providers' recommendations when selecting a treatment option, but are perhaps unaware that their provider benefits financially when referring them for certain services. This report underscores the need to move toward a value based health care system that promotes better care, not higher volume," Rep. Levin said.

"Today's report further demonstrates why Congress should act to address the issue of physician self-referral. While there may be some efficiencies and appropriate instances of such arrangements, this must be balanced with the inherent incentives for overuse when providers are self-referring," said Rep. Waxman. "Referrals to services of questionable benefit, and for personal financial gain, clearly undermine the integrity of the health system and drive up costs. I will be working further with my colleagues on this issue."

The <u>report released today</u> is the third in a series of GAO reports examining the rise of self-referrals. The first, <u>released in October</u>, investigated the growth of self-referral in magnetic resonance imaging (MRI) and computed tomography (CT) services. It found a similar increase in imaging services ordered by physicians who self-refer compared to those who do not. The second, <u>released earlier this month</u>, revealed a dramatic rise in self-referrals for anatomic pathology tests and procedures.

The full text and a summary of today's GAO report can be accessed <u>here</u>.

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